

Message Text

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ACTION EA-09

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TAGS: EGEN, AS, ELAB, PINT

SUBJECT: INDUSTRIAL RELATIONS CONTENT AND IMPLICATIONS OF
ARBITRATION COMMISSION'S SECOND CONSECUTIVE "PLATEAU"
DECISION

REF: A) CANBERRA 5847 B) MELBOURNE 0970 C) MELBOURNE 1439

1. COMMISSION ISSUED SECOND CONSECUTIVE QTE PLATEAU END QTE
WAGE INDEXATION DECISION AUG 12 IN WHICH IT TOOK TRADE UNIONS
TO TASK FOR ENDANGERING INDEXATION SYSTEM WITH QTE STOPPAGES,
BANS AND LIMITATIONS END QTE DESIGNED TO QTE BEAT END QTE
GUIDELINES AND IN WHICH IT OFFERED TO PLAY QTE INITIATING
OR CORR DINATING ROLE END QTE IN EFFORTS TO ACHIEVE PUBLIC
CONSENSUS ON INDEXATION PACKAGE.

2. FOLLOWING MEETING AUG 16 OF ACTU EXECUTIVE ACTU PRESI-
DENT HAWKE ACCUSED COMMISSION OF BRINGING ITS OWN SYSTEM TO
POINT OF DESTRUCTION BY AIDING AND ABETTING VOT EFFORTS
TO REDUCE INFLATION BY REDUCING LIVING STANDARS. HAWKE
EXPRESSED DOUBT ABOUT FUTURE OF INDEXATION UNLESS COMMISSION
RETURNED TO ORIGINAL PRINCIPLES BUT SAID ACTU NEVERTHELESS
PREPARED TO PARTICIPATE IN COMMISSION-SPONSORED TALKS AIMED
AT ACHIEVING CONSENSUS.

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3. NOTING QTE DISMAL PICTURE OF INDUSTRIAL DISPUTATION END

QTE WHICH EMPLOYERS PAINTED IN EFFORT TO CLUNTER TRADE UNION
ARGUMENTS IN SUPPORT OF FULL 2.5 0/0 WAGE INCREASE.
COMMISSION IN ITS DECISION WARNED QTE WAGE INDEXATION
MUST FAIL IF SIGNIFICANT INDUSTRIAL DISPUTATION CONTIN-
UES. END QTE IT ALSO NOTED, HOWEVER, THAT QTE DESPITE
THE INCIDENCE OF STOPPAGES, BANS AND LIMITATIONS THE
STATISTICS INDICATE THAT THE INCREASE IN EARNINGS IN
ORDINARY HOURS OF WORK HAS BEEN ONLY OF THE ORDER OF
THE INCREASES IN THE C.P.I. END QTE IT ADDED THAT
QTE ALL IN ALL WE ARE PREPARED TO ACCEPT THAT THERE
HAS BEEN SUBSTANTIAL COMPLIANCE WITH THE PRINCIPLES
BUT WE DO THIS WITH SOME DOUBT AND WITH THE APPREHEN-
SION THAT IF INDUSTRIAL UNREST DOES NOT DIMINISH THE
PACKAGE MAY HAVE TO BE ABANDONED. END QTE.

4. NOTING GOVT'S ARGUMENT (CHALLENGED BY TRADE UNIONS)
THAT QTE COMMUNITY AT LARGE UNDERSTANDS AND ACCEPTS THE
NEED FOR ACTION IN THE WAGES FIELD THAT WILL ASSIST IN
WINDING DOWN INFLATION AND RESTORING THE ECONOMY END QTE
COMMISSION AGREED THERE WAS NEED FOR PUBLIC CONSENSUS IN
WAGE FIXING AREA AND SUGGESTED THAT COMMISSION PRESIDENT
MIGHT BE ABLE TO PLAY QTE INITIATING OR COORDINATING ROLE
END QTE IN TRIPARTITE EFFORTS QTE TO EXPLORE THE POSSI-
BILITY OF ACHIEVING CONSENSUS ON SHORT, MEDIUM OR LONG
TERM OBJECTIVES FOR THE ADMINISTRATION OF THE INDEXATION
PACKAGE. END QTE COMMISSION CONCLUDED SECTION ON INDUSTRIAL
RELATIONS AS FOLLOWS: QTE IN THE ABSENCE OF CONSENSUS,
FULL PERCENTAGE INDEXATION REMAINS THE OBJECTIVE OF THE
PACKAGE AND THE CRITERIOR, TO WHICH THOSE OPPOSING MUST
DIRECT THEIR ARGUMENTS. IN THIS CONNECTION WE POINT OUT
THAT IN RECENT QUARTERS THE INCIDENCE OF STOPPAGES, BANS
AND LIMITATIONS IN SUPPORT OF CAMPAIGNS TO INNER QTE
BEAT END INNER QTE THE INDEXATION GUIDELINES HAS
ACTED AS A FACTOR SUPPORTING THE ECONOMIC ARGUMENTS
FOR LESS THAN FULL INDEXATION. END QTE

5. COMMENT: COMMISSION'S DECISION TO GRANT LESS THAN
QTE FULL PERCENTAGE INDEXATION END QTE FOR SECOND
CONSECUTIVE QUARTER SUGGESTS IT HAS DELIBERATELY UNDER-
TAKEN TO SUPPORT GOVT EFFORTS TO REDUCE INFLATION AS
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WELL AS TO CARRY OUT ITS OWN PRIMARY MANDATE WHICH IS
TO REDUCE INDUSTRIAL UNREST. WHETHER OR NOT COMMISSION
WILL FIND IT POSSIBLE TO CONTINUE TO MOVE IN BOTH DI-
RECTIONS SIMULTANEOUSLY, HOWEVER REMAINS TO BE SEEN SINCE
TRADE UNION MOVEMENT STRONGLY OPPOSES ECONOMIC STRATEGY
PREDICATED ON NEED TO REDUCE LIVING STANDARDS. IN CIR-
CUMSTANCES PERHAPS BEST COURSE FOR GOVT., EMPLOYERS AND
TRADE UNIONS TO FOLLOW AT THIS TIME WOULD BE TO ACCEPT

COMMISSION'S INVITATION TO PARTICIPATE IN TALKS AIMED
AT ACHIEVING SOME SORT OF CONSENSUS ON INDEXATION PACKAGE.
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